

Covington, Kentucky

ANNUAL ACTION PLAN

2021 – 2022



Presented to U.S. Department of Housing and Urban Development
Louisville Office of Community Planning and Development
Approved by Covington City Commission:
Approved by the U.S. Department of Housing and Urban Development:

Executive Summary

AP-05 Executive Summary - 24 CFR 91.200(c), 91.220(b)

1. Introduction

The 2021 City of Covington, Kentucky Annual Action Plan is the result of a collaborative process to identify housing and community development needs. The City utilized resident input, data from the Census and other sources, and consultation with our non-profit partners and stakeholders to develop the Annual Action Plan. This plan is the second of five annual plans implementing the 2020-2025 Consolidated Plan. The Consolidated Plan creates strategies and sets goals for the investment of the City's annual allocations of Community Development Block Grant (CDBG) and HOME Investment Partnerships (HOME) funds from the U.S. Department of Housing and Urban Development (HUD). This Annual Action Plan identifies available resources, sets annual goals, and outlines projects and activities for the period beginning July 1, 2021 and ending June 30, 2022. The primary goal of this plan is to be an informative and useful tool for the residents, organizations and businesses that are committed to Covington and Northern Kentucky's revitalization.

The City of Covington, Kentucky is an entitlement jurisdiction that receives an annual formula allocation of CDBG and HOME funds from HUD for community development and affordable housing activities. Covington is the lead agency of the NKY HOME Consortium. The NKY HOME Consortium includes the member cities of Ludlow, Newport, Bellevue and Dayton. These member cities are included in this plan as it relates to the use of HOME funds.

The Annual Action Plan includes a budget that encompasses revenue from three sources. These include new formula based entitlements, program income/recaptured funds, and carry-over funds.

The CDBG and HOME funds encompass a wide range of eligible activities designed to benefit low- and moderate-income Covington residents.

The Housing and Community Development Act of 1974 created the CDBG Program to develop viable urban communities by providing decent housing, a suitable living environment, and expanding economic opportunities, principally for persons of low- and moderate-income. The CDBG regulations require that at least 70 percent of all CDBG funds be used to benefit low- and moderate-income residents who are members of households that earn less than 80 percent of Area Median Income (AMI).

The Cranston-Gonzalez National Affordable Housing Act created the HOME program to give states and local governments a flexible block grant funding source to use for a wide range of activities including building, buying, and/or rehabilitating affordable housing for rent or homeownership or providing direct

rental assistance to low-income people. The sole purpose of the HOME program is creating affordable housing opportunities for low-income households.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City of Covington and Northern Kentucky HOME Consortium 2020-2025 Consolidated Plan provides a framework to identify and prioritize housing and community development needs and establish goals to address these needs.

The City has identified the following four Priority Needs to be addressed: Affordable Housing; Public Facilities and Infrastructure Improvements; Neighborhood and Community Services; and Business and Economic Development.

The City has established the following ten goals: Expand Homeownership Opportunities; Increase Affordable Homeownership Units; Increase Affordable Rental Units; Improve Existing Owner Occupied Housing; Improve Streets, Sidewalks and Public Facilities; Improve Parks and Recreational Facilities; Reduce and Prevent Crime; Provide Recreation and Education Opportunities; Increase Jobs through Economic Development; and Reduce Blighted Conditions.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

CDBG and HOME funds have been an essential source of funding for many projects and activities that have contributed to the revitalization of the City. City staff performs an evaluation of these investments annually. This evaluation focuses on goals achieved in previous years, program successes and program administration. This evaluation also directed much of the decision making for allocating this year's funding.

In previous years, CDBG funds were utilized successfully to implement infrastructure and other public improvements, park improvements, recreation programming, economic development efforts, crime prevention activities, targeted code enforcement, affordable housing development and homeowner rehab programs.

HOME funded activities were utilized to increase the number of low-moderate income homeowners and to increase affordable homeownership opportunities. The City's homebuyer assistance programs

continue to be widely used throughout the Consortium cities. HOME was also used to finance CHDO housing development projects that renovated existing housing into affordable homeownership units.

To increase the impact of CDBG funding, the City will leverage the funds with other federal, State and local resources and target the investments strategically. This leverage and targeting will result in the funds having a larger impact and increasing the benefit to the community.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City of Covington has an adopted Citizen Participation Plan. The purpose of the Plan is to encourage participation by all sectors of the community, particularly low and very-low income persons, in the development of the City of Covington and the NKY HOME Consortium Consolidated Plan and Annual Action Plan. The public needs hearing notices were posted on the City website, sent directly to email subscribers, sent to stakeholder groups, and published in the Cincinnati Enquirer prior to the hearing. The notice included instructions for special needs populations, such as hearing, visual or mobility impaired persons to notify the City so necessary arrangements could be made for their participation.

Due to social distancing requirements and State mandates regarding the coronavirus pandemic, the public needs hearing was held virtually this year on the Zoom meeting platform.

The City also published a community needs survey asking members of the public to offer opinions and insight on community needs and funding priorities.

Once the draft Annual Action Plan was completed, a summary was developed. This summary was published and a 30-day comment period was given to persons, groups, or agencies who wished to comment. The published summary also provided an address, contact person and phone number where comments could be directed. Citizens were also provided an opportunity to review the entire proposed Annual Action Plan, with the summary and public notice attached, which were available for review at the City of Covington, the City Clerk's office of each member HOME Consortium city, and on the City of Covington's website. During the 30-day comment period, a virtual public hearing was held to provide a forum for persons to comment. Instructions were provided for submitting comments on the Plan. Any complaint, view or pertinent comment that was received was substantially responded to within a 15-day period.

Copies of the final Annual Action Plan will be made available for review at the Housing Authorities of Covington and Newport, the Campbell County Department of Housing, City of Covington Neighborhood Services Department, the City Clerk's office of each member Consortium city, and on the City of Covington's website. Any amendments to the Plan require a 30-day public comment period and must be adopted by the Covington City Commission.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

Please see attached documents outlining citizen participation comments and responses.

6. Summary of comments or views not accepted and the reasons for not accepting them

All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Annual Action Plan.

7. Summary

As stated in the Introduction, the Consolidated Plan and Annual Action Plan serve as the guiding documents for the expenditure of CDBG and HOME funds received by the City of Covington. The City uses the funds to implement actions, activities, and programs that will address the city's greatest housing and community development needs, especially for low- and moderate-income households.

PR-05 Lead & Responsible Agencies – 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

Describe the agency/entity responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	COVINGTON	
CDBG Administrator	COVINGTON	Neighborhood Services Department
HOPWA Administrator		
HOME Administrator	COVINGTON	Neighborhood Services Department
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative (optional)

The City of Covington, KY is the Lead Entity in the Northern Kentucky HOME Consortium. The Consortium includes the cities of Ludlow, Newport, Bellevue and Dayton, KY. The HOME Consortium receives an allocation of HOME funds that can be utilized for eligible activities in all cities of the Consortium.

Consolidated Plan Public Contact Information

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AP-10 Consultation – 91.100, 91.200(b), 91.215(I)

1. Introduction

The City of Covington sought input from ---- local organizations, groups, and agencies in developing its PY 2021 Annual Action Plan. This included a variety of nonprofit service providers, city and county agencies, faith-based organizations, Continuum of Care agencies, and affordable housing developers. The City also reviewed existing plans and attempted to align its proposed goals with these other plans where applicable.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(I))

The City of Covington works closely with public and assisted housing providers to provide safe, affordable housing. The Kenton County Housing Choice Voucher Program is part of a local consortium with the Covington Housing Authority. This partnership allows both agencies to offer a one-stop shop location that increases efficiencies and is more convenient for public access. The City provides support and technical assistance to agencies that provide mental health and homelessness services. This coordination increased significantly as the City and these agencies worked to address issues caused by the coronavirus pandemic. The City worked with homeless service providers and emergency housing providers to create new programs to address homelessness caused by the pandemic. The City worked closely with the Northern KY Health Department to assist households affected by child lead poisoning through the implementation of a Lead Based Paint Hazard Reduction Program

In addition to these efforts, the City of Covington also fosters coordination of public and private agencies through:

- Participation in Southbank Partners. Southbank Partners represents a collaboration of Northern Kentucky private citizens, business leaders, local government administrators and elected officials serving as a catalyst for economic development.
- Being the Lead Entity in the Northern KY HOME Consortium. The NKY HOME Consortium is an inter-local agreement between Covington, Ludlow, Newport, Bellevue and Dayton created to increase affordable housing opportunities in the region.
- Working with Continuum of Care agencies. Providing technical assistance and assisting Continuum of Care agencies with grant applications for homeless programs and services.

-Partnering with the Northern Kentucky Independent District Health Department on policies, systems and environmental change impacting chronic disease. Coordinate resources to address lead based paint hazards in low-income housing.

-Participating in the OKI Regional Council of Governments planning efforts.

-Participating in regional planning efforts of The Alliance (formerly Vision 2015) to promote local economic development initiatives.

-Partnering with the Covington Economic Development Authority to provide technical assistance and funding opportunities for economic development projects.

-Partnering with local housing counseling agencies to promote homebuyer education classes, homebuyer assistance programs and foreclosure prevention programs.

-Partnering with local for-profit and non-profit housing developers to create affordable housing opportunities.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

In preparing the Consolidated Plan and Annual Action Plan, local agencies providing homeless services were consulted. These organizations are Welcome House of Northern Kentucky, the Northern Kentucky Community Action Commission, Emergency Cold Shelter of Northern KY, Brighton Center and Transitions, Inc. All strategies identified in the Consolidated Plan and Annual Action Plans are a direct result of this consultation, and review of the Demographic analysis, Community Needs and available resources. The City of Covington attends meetings and assists the Continuum of Care as needed. The City provides technical assistance to local CoC providers for their homeless grant applications. The City completes the required environmental reviews for HUD CoC grant recipients.

In addition, the City of Covington signed on to HUD's Mayor's Challenge to End Veteran Homelessness in 2014.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of Covington does not receive ESG funds nor does it administer HMIS.

2. Describe Agencies, groups, organizations and others who participated in the process and describe the jurisdiction's consultations with housing, social service agencies and other entities

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Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	NORTHERN KENTUCKY COMMUNITY ACTION COMMISSION-RHP
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Health Services-Education Services-Employment Service-Fair Housing Health Agency Child Welfare Agency Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Economic Development Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	NKY Community Action was consulted regarding affordable housing needs, homelessness issues, special needs populations, and economic development. This consultation will result in coordinated efforts to utilize CDBG-CV funds to address financial needs of residents caused by the coronavirus pandemic.

2	Agency/Group/Organization	ENTRYWAY, INC.
	Agency/Group/Organization Type	Housing PHA Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Neighborhood Foundations/Entryway Inc. was consulted regarding affordable housing needs, housing barriers, public housing needs, and market analysis. The City will work with Entryway (a CHDO partner) to create new affordable housing units for low-income homeownership.
3	Agency/Group/Organization	HOUSING AUTHORITY OF COVINGTON
	Agency/Group/Organization Type	Housing PHA Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Health Services-Education Services-Employment Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Non-Homeless Special Needs Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Housing Authority of Covington was consulted regarding affordable housing needs, public housing needs, public housing conditions, special needs populations, and market analysis. The City will assist the Housing Authority in PY 2021 in relocation efforts of tenants who will be moved out of a sub-standard housing complex.
4	Agency/Group/Organization	WELCOME HOUSE OF NORTHERN KENTUCKY
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Child Welfare Agency

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Welcome House of Northern KY was consulted regarding affordable housing needs, homelessness needs and services, homelessness strategies, anti-poverty strategies and market analysis. The City and Welcome house are implementing emergency housing programs in response to the coronavirus pandemic.
5	Agency/Group/Organization	Northern Kentucky Health Department
	Agency/Group/Organization Type	Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Health Health Agency Child Welfare Agency Agency - Emergency Management Other government - Local Regional organization

	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The NKY Health Dept. was consulted regarding mental health issues, homelessness issues, other public health issues and lead based paint strategies. This consultation will result in enhanced collaboration and implementation of a lead-paint hazard remediation program.
6	Agency/Group/Organization	BRIGHTON CENTER, INC.
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Services - Victims Child Welfare Agency Regional organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Brighton Center was consulted regarding affordable housing needs, housing barriers, homelessness needs and services, special needs populations, anti-poverty strategies and economic development. The City and Brighton Center are implementing food assistance programs in response to the coronavirus pandemic.
7	Agency/Group/Organization	Emergency Cold Shelter of Northern KY
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Victims of Domestic Violence Services-homeless Services-Health Services - Victims

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Emergency Cold Shelter of Northern KY was consulted regarding affordable housing needs, housing barriers, homelessness needs, services, and anti-poverty strategy.
8	Agency/Group/Organization	Kenton County Housing Choice Voucher Program
	Agency/Group/Organization Type	Housing PHA Service-Fair Housing Other government - Local Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis Anti-poverty Strategy Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Kenton County Housing Choice Voucher Program was consulted regarding affordable housing needs, housing barriers, public housing needs and conditions, lead based paint strategies and anti-poverty strategies. The City and the HCV department are working together to implement a lead-paint hazard remediation program to create lead-safe housing units for renters.

9	Agency/Group/Organization	CENTER FOR GREAT NEIGHBORHOODS
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-Health Services-Education Services-Employment Service-Fair Housing Neighborhood Organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Center for Great Neighborhoods of Covington was consulted regarding affordable housing needs, housing barriers and market analysis. The City will work with CGN (a CHDO partner) to create new affordable housing units for low-income homeownership.
10	Agency/Group/Organization	Center for Accessible Living
	Agency/Group/Organization Type	Housing Services-Elderly Persons Services-Persons with Disabilities Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Center for Accessible Living was consulted regarding affordable housing needs, housing barriers, accessible housing needs and special populations. The consultation will result in the City exploring adding accessibility repairs to existing home repair programs as well as looking into new HUD grant opportunities for housing modifications for accessibility.
11	Agency/Group/Organization	Housing Opportunities of Northern Kentucky
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Lead-based Paint Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Housing Opportunities of Northern KY was consulted regarding affordable housing needs, housing barriers and market analysis. The City will work with HONK (a CHDO partner) to create new affordable housing units for low-income homeownership.
12	Agency/Group/Organization	TRANSITIONS, INC.
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Persons with HIV/AIDS Services-homeless Service-Fair Housing

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Transitions, Inc. was consulted regarding affordable housing needs, homelessness issues and services. The City is implementing homeless assistance programs to respond to the coronavirus pandemic.
13	Agency/Group/Organization	Catholic Charities
	Agency/Group/Organization Type	Housing Services - Housing Services-Children Services-Elderly Persons Services-Persons with Disabilities Services-Education Services-Employment Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Catholic Charities was consulted regarding affordable housing needs and homeownership programs. The City will work with Catholic Charities to increase homeownership opportunities for low-income homebuyers.

14	Agency/Group/Organization	Renaissance Covington
	Agency/Group/Organization Type	Services-Employment Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide Planning organization Business and Civic Leaders
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Renaissance Covington was consulted regarding economic development needs and broadband/internet needs. The City worked with RCOV and Cincinnati Bell to expand public WIFI to low-income neighborhoods and for public housing complexes.
15	Agency/Group/Organization	Cincinnati Bell
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers Services - Narrowing the Digital Divide Major Employer
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Cincinnati Bell was consulted regarding economic development needs and broadband/internet needs. The City worked with Cincinnati Bell and Renaissance Covington to expand public WIFI to low-income neighborhoods and for public housing complexes.
16	Agency/Group/Organization	Sanitation District #1
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Agency - Emergency Management

	What section of the Plan was addressed by Consultation?	Storm Water Management
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	SD1 was consulted regarding storm water management issues and pump stations. The City is working with SD1 to switch control of the City's storm water management responsibilities back to the City.
17	Agency/Group/Organization	US Army Corps of Engineers
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources
	What section of the Plan was addressed by Consultation?	Flood Prone Areas/Public Lands
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The US Army Corps of Engineers was consulted regarding management of flood prone areas. The City has an extensive floodwall and levee system. There is a levee area that is experiencing a slide/failure. The City consulted with the Corps of Engineers to develop a plan to address these repairs.

Identify any Agency Types not consulted and provide rationale for not consulting

All agency types were consulted.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care		

Table 3 – Other local / regional / federal planning efforts

Annual Action Plan
2021

Narrative (optional)

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AP-12 Participation – 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City utilized multiple methods of outreach to reach the broadest audience possible. This outreach was all done virtually due to coronavirus restrictions. Social distancing restrictions limited the City's ability to do any in-person citizen participation. A virtual public meeting was held to identify community needs to be addressed in the plan. The meeting was held on the Zoom meeting platform. The City also created a community needs survey that could be completed online. Input from this outreach helped City staff to identify the priority needs in the community and to establish goals to address these needs. After completion of the draft for the Annual Action Plan, the City held a virtual hearing on Zoom to highlight the plans and to solicit public comments on the draft plan. The public was instructed on multiple methods of providing comments as well as how to access the full draft plan.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Public Meeting	Minorities Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	This was a virtual public meeting. The meeting was recorded and made available to view anytime.	Please see attached documents outlining citizen participation comments and responses.	All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Plan.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
2	Newspaper Ad	Non-targeted/broad community	Legal Advertisement was placed in the Kentucky Enquirer advertising the public needs hearing and encouraging members of the public to provide input on the annual action plan process.	Comments are included as an attachment to the Action Plan.	All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Plan.	
3	Public Hearing	Non-English Speaking - Specify other language: Spanish Non-targeted/broad community	This was a virtual public hearing. The meeting was recorded and made available to view anytime.	Comments are included as an attachment to the Action Plan.	All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Plan.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Newspaper Ad	Non-targeted/broad community	Legal Advertisement was placed in the Kentucky Enquirer advertising the 30-day public comment period on the draft annual action plan and the public hearing to discuss the draft annual action plan.	Comments are included as an attachment to the Action Plan.	All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Plan.	

5	Internet Outreach	Non-targeted/broad community	<p>The City advertised the public needs hearing and public comment opportunities broadly through its social media channels. Staff created a brief survey asking the public to provide input on areas of community need. The survey was sent to the City's e-mail subscriber list and posted for the general public on the City website and social media channels. Results of the survey were analyzed and included in the planning process. The City's response to comments is provided as an attachment.</p>	Comments are included as an attachment to the Action Plan.	All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Plan.	
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Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
6	Newspaper article in the NKY Tribune	Non-targeted/broad community	Article contained information regarding the public meeting to discuss the draft annual action plan.	Comments are included as an attachment to the Action Plan.	All comments received during plan development and during the draft plan public comment period were accepted and taken into consideration in developing the final Plan.	

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources – 91.220(c)(1,2)

Introduction

This section outlines all of the anticipated resources that will be available in the jurisdiction to address housing and community development needs throughout Program Year 2021 and the remainder of the 5 Year Consolidated Plan.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,482,739	25,000	1,612,686	3,120,425	5,979,352	CDBG funds are used to benefit low/moderate income families or to eliminate blighted conditions. Prior year resources are a combination of funds allocated to activities that will not be completed by the end of the previous year and funds that were not fully utilized in the previous year.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	564,089	100,000	821,580	1,485,669	1,692,267	HOME funds are used primarily to increase homeownership opportunities and for the production of affordable rental housing. Prior year resources are a combination of funds allocated to activities that will not be completed by the end of the previous year and funds that were not fully utilized in the previous year.
Section 108	public - federal	Economic Development	3,970,000	0	0	3,970,000	0	Section 108 Funds are used for a loan fund to assist businesses to create or retain low/moderate income jobs.

Table 5 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG funds will be leveraged with other state and local funds to implement public improvements, economic development and public service programs. HOME funds are leveraged with private mortgage dollars and buyer contributions. The City is required to Match 12.5 cents for every dollar of HOME spent. This matching requirement is met through volunteer labor provided by CHDOs as well as other sources of private down

payment assistance.

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If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City has acquired the former IRS site on the riverfront. This land will be redeveloped to create housing and economic development opportunities.

Discussion

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Annual Goals and Objectives

AP-20 Annual Goals and Objectives

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Expand Homeownership Opportunities	2020	2024	Affordable Housing	NRSA Citywide HOME Consortium Cities	Affordable Housing	HOME: \$525,000	Direct Financial Assistance to Homebuyers: 70 Households Assisted
2	Increase Affordable Homeownership Units	2020	2024	Affordable Housing	NRSA Citywide HOME Consortium Cities	Affordable Housing	HOME: \$927,692	Homeowner Housing Added: 10 Household Housing Unit
3	Increase Affordable Rental Units	2020	2024	Affordable Housing	NRSA Citywide	Affordable Housing	CDBG: \$200,000	Rental units constructed: 10 Household Housing Unit
4	Improve Existing Owner Occupied Housing	2020	2024	Affordable Housing	NRSA Citywide	Affordable Housing	CDBG: \$150,000	Homeowner Housing Rehabilitated: 30 Household Housing Unit
5	Improve Streets, Sidewalks and Public Facilities	2020	2024	Non-Housing Community Development	NRSA Citywide	Public Facilities and Infrastructure Improvements	CDBG: \$1,332,918	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 10000 Persons Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
6	Improve Parks and Recreational Facilities	2020	2024	Non-Housing Community Development	NRSA Citywide	Public Facilities and Infrastructure Improvements	CDBG: \$505,000	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 10000 Persons Assisted
7	Reduce and Prevent Crime	2020	2024	Public Housing Non-Housing Community Development	NRSA Citywide	Neighborhood and Community Services	CDBG: \$100,000	Public service activities other than Low/Moderate Income Housing Benefit: 30000 Persons Assisted
8	Provide Recreation and Education Opportunities	2020	2024	Non-Homeless Special Needs Non-Housing Community Development	NRSA Citywide	Neighborhood and Community Services	CDBG: \$64,400	Public service activities other than Low/Moderate Income Housing Benefit: 2000 Persons Assisted
9	Increase Jobs through Economic Development	2020	2024	Non-Housing Community Development	NRSA Citywide	Business and Economic Development	CDBG: \$50,000	Businesses assisted: 5 Businesses Assisted
10	Reduce Blighted Conditions	2020	2024	Affordable Housing Non-Housing Community Development	NRSA Citywide	Affordable Housing Neighborhood and Community Services	CDBG: \$193,982	Housing Code Enforcement/Foreclosed Property Care: 100 Household Housing Unit Other: 5 Other

Table 6 – Goals Summary

Goal Descriptions

1	Goal Name	Expand Homeownership Opportunities
	Goal Description	The City will allocate HOME funds for Homebuyer Assistance Programs. These programs assist low-income homebuyers by providing interest-free, deferred loans to cover lender required down payment and closing costs.
2	Goal Name	Increase Affordable Homeownership Units
	Goal Description	The City will allocate HOME funds to create new housing for low-income homeownership. The City will partner with Community Housing Development Organizations and private non-profit developers to acquire and rehabilitate homes for sale to low-income homebuyers.
3	Goal Name	Increase Affordable Rental Units
	Goal Description	The City will allocate CDBG funds to the Upper Floor Residential Rehab Program. This program provides loans to owners of mixed-use buildings to redevelop vacant, upper-floor space into new affordable rental units for low-income renters.
4	Goal Name	Improve Existing Owner Occupied Housing
	Goal Description	The City will allocate CDBG funds to the Homeowner Repair Program. This program provides forgivable loans to low-income homeowners to address urgent home repair needs such as furnaces, water heaters, roof and gutter systems, and other life safety issues.
5	Goal Name	Improve Streets, Sidewalks and Public Facilities
	Goal Description	The City will allocate CDBG funds for public improvements including street repairs, street resurfacing, streetscape improvement projects, levy stabilization, and other roadway and public facility repairs.
6	Goal Name	Improve Parks and Recreational Facilities
	Goal Description	The City will allocate CDBG funds for improvements to public parks and recreational facilities. This will include new park equipment, repairs and upgrades to existing parks, and additional park amenities.
7	Goal Name	Reduce and Prevent Crime
	Goal Description	The City will allocate CDBG funds for crime prevention efforts in targeted high crime areas and community policing programs.

8	Goal Name	Provide Recreation and Education Opportunities
	Goal Description	The City will allocate CDBG funds for recreation programs and educational opportunities for children and youth.
9	Goal Name	Increase Jobs through Economic Development
	Goal Description	The City will allocate CDBG funds for economic development planning initiatives that will assist businesses to create or retain jobs.
10	Goal Name	Reduce Blighted Conditions
	Goal Description	The City will allocate CDBG funds for activities that are aimed at reducing blighted properties and conditions in the City. Activities planned include acquisition of blighted properties and increased code enforcement.

Projects

AP-35 Projects – 91.220(d)

Introduction

During the Consolidated Planning process, the city prioritizes identified needs and allocates funds strategically to achieve the most community impact. Through the city's annual budgeting process the following projects were funded to implement these strategic goals. The Annual Action Plan includes a budget that encompasses revenue from three sources. These include new formula based entitlements, program income/recaptured funds, and carry-over/unexpended funds.

Projects

#	Project Name
1	CDBG Administration
2	HOME Program Administration
3	Rehab Administration
4	Homebuyer Assistance Program
5	CHDO/other non-profit Housing Development
6	Homeowner Repair Program for Emergency Repairs
7	Upper Floor Residential Rehab Program
8	Public Improvements
9	Park Improvements
10	Code Enforcement
11	Early Literacy Program
12	Police Anti-Crime Program
13	Parks and Recreation Staff Delivery Costs

Table 7 - Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City has identified priority projects based on staff and community input. The allocation of CDBG funds will be done in a strategic manner to maximize the benefit to the community. Multiple CDBG projects will coincide with each other to leverage the impact. For example, public improvements and streetscape enhancements occurring in targeted areas will be done in coordination with park improvements, code enforcement, crime prevention efforts, property rehab programs, and economic development initiatives.

HOME funding will be prioritized to address the shortage of affordable housing and the less than

desirable homeownership rate. The HOME program will support increasing affordable housing and homeownership opportunities through down payment assistance programs and by creating new affordable homeownership and lease to own units.

The city has a large inventory of aging housing stock, both owner and rental, in need of rehabilitation. Assistance to low-income homeowners to address home repair issues is an underserved need. Some of the obstacles to addressing this underserved need include lack of adequate funding mechanisms; lack of qualified contractors; and ability to reach homeowners in need. To address this need, the City will continue to fund homeowner rehab programs, will market the programs to potential contractors, and will partner with local agencies who have contact with homeowners in need.

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AP-38 Project Summary
Project Summary Information

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1	Project Name	CDBG Administration
	Target Area	NRSA Citywide HOME Consortium Cities
	Goals Supported	Expand Homeownership Opportunities Increase Affordable Homeownership Units Increase Affordable Rental Units Improve Existing Owner Occupied Housing Improve Streets, Sidewalks and Public Facilities Improve Parks and Recreational Facilities Reduce and Prevent Crime Provide Recreation and Education Opportunities Increase Jobs through Economic Development Reduce Blighted Conditions
	Needs Addressed	Affordable Housing Public Facilities and Infrastructure Improvements Neighborhood and Community Services Business and Economic Development
	Funding	CDBG: \$357,244
	Description	This project funds the administration of the CDBG Program and CDBG community development planning activities.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	
	Location Description	
	Planned Activities	Program administration costs include staff and related costs required for planning activities, overall program management, coordination, monitoring, reporting, recordkeeping and evaluation. Planning activities that will occur in PY 2021 include affordable housing planning and economic development planning.
2	Project Name	HOME Program Administration
	Target Area	HOME Consortium Cities

	Goals Supported	Expand Homeownership Opportunities Increase Affordable Homeownership Units
	Needs Addressed	Affordable Housing
	Funding	HOME: \$32,977
	Description	This project funds administrative costs for the HOME Program.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Administration of the HOME Program will benefit approximately 80 low-income families through homeownership programs and housing development.
	Location Description	HOME Program funded activities occur citywide in the Northern Kentucky HOME Consortium cities of Covington, Ludlow, Newport, Bellevue and Dayton.
	Planned Activities	Program administration costs include staff and related costs required for overall program management, coordination, monitoring, reporting, recordkeeping and evaluation.
3	Project Name	Rehab Administration
	Target Area	NRSA Citywide
	Goals Supported	Increase Affordable Rental Units Improve Existing Owner Occupied Housing Reduce Blighted Conditions
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$98,988
	Description	This project funds staff and related delivery costs to administer CDBG funded residential rehab programs.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	The administration of rehab programs will benefit approximately 45 LMI homeowners/renters.
	Location Description	Rehab programs are available citywide to low/mod-income homeowners and renters.

	Planned Activities	Funds provide for staffing to support program delivery costs for CDBG funded residential rehab programs. Activities include inspections, cost estimates, preparing specifications, qualifying applicants, processing draw requests/payments, etc. Rehab Admin funds are also being utilized to administer the City's Lead Hazard Reduction Program that is a grant awarded to the City from HUD's Office of Lead Hazard Control and Healthy Homes.
4	Project Name	Homebuyer Assistance Program
	Target Area	HOME Consortium Cities
	Goals Supported	Expand Homeownership Opportunities Increase Affordable Homeownership Units
	Needs Addressed	Affordable Housing
	Funding	HOME: \$525,000
	Description	This project is an interest-free, deferred loan program to assist low-income homebuyers with lender required down payment and closing costs.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This project will benefit approximately 70 low-income homebuyers.
	Location Description	This program is available to low-income homebuyers citywide in the Northern Kentucky HOME Consortium member cities of Covington, Ludlow, Newport, Bellevue and Dayton.
5	Planned Activities	This is an interest-free, deferred loan program to assist low-income homebuyers with lender required down payment and closing costs.
	Project Name	CHDO/other non-profit Housing Development
	Target Area	HOME Consortium Cities
	Goals Supported	Expand Homeownership Opportunities Increase Affordable Homeownership Units Reduce Blighted Conditions
	Needs Addressed	Affordable Housing
	Funding	HOME: \$927,692

	Description	This project funds the required HOME CHDO set-aside for the creation of affordable housing units by qualified local CHDO's using the HOME Program. The City prioritizes the partnership with CHDOs and funds CHDO activities more than the minimum required set-aside. Other non-profit housing developers that may qualify as CHDOs can participate in this program.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This project will benefit approximately 10 low-income households.
	Location Description	CHDO housing projects are currently being identified. Actual addresses have not been selected as of yet.
	Planned Activities	Single-family housing rehab or new construction to create new affordable housing units for homeownership, rental or lease to own.
6	Project Name	Homeowner Repair Program for Emergency Repairs
	Target Area	NRSA Citywide
	Goals Supported	Improve Existing Owner Occupied Housing Reduce Blighted Conditions
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$150,000
	Description	The City's Homeowner Repair Program is designed to assist low/mod-income homeowners with urgent home repair needs. The Program will assist homeowners with emergency repairs such as furnace, electrical, plumbing, roof and sewer lateral repairs.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This activity will assist approximately 30 households. This activity is for low/mod income households only with a preference given to elderly, disabled and veteran households.
	Location Description	This activity is available citywide on a first-come, first-served basis.
	Planned Activities	Single-family, owner-occupied, residential rehab to address urgent/emergency home repairs.

7	Project Name	Upper Floor Residential Rehab Program
	Target Area	NRSA Citywide
	Goals Supported	Increase Affordable Rental Units Reduce Blighted Conditions
	Needs Addressed	Affordable Housing
	Funding	CDBG: \$200,000
	Description	This project funds the Upper Floor Residential Rent Rehab Program. This program provides loans to property owners to redevelop vacant, upper-floor space in mixed-use buildings into affordable rental units.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This project will benefit approximately 10 low/mod income households.
	Location Description	Units on Madison Avenue and Holman Avenue will be rehabilitated under this project. Other addresses will be identified based on an open application process. The program is available citywide, targeted to vacant, upper-floor space in mixed-use buildings.
8	Planned Activities	Rehabilitation of vacant, upper-floor space in mixed-use buildings into affordable rental-units.
	Project Name	Public Improvements
	Target Area	NRSA Citywide
	Goals Supported	Improve Streets, Sidewalks and Public Facilities Reduce Blighted Conditions
	Needs Addressed	Public Facilities and Infrastructure Improvements
	Funding	CDBG: \$1,332,918
	Description	This project will fund public improvements including street resurfacing, installation of ADA sidewalk ramps, streetscape enhancements, other road and infrastructure improvements.
	Target Date	6/30/2022

	Estimate the number and type of families that will benefit from the proposed activities	This project will fund activities that will occur in qualified low/mod-income census tracts/block groups to benefit low/mod-income households on an area basis.
	Location Description	Street resurfacing is scheduled to be performed on deteriorated streets in the central section of the City based on a condition survey; installation of ADA ramps will coincide with street resurfacing where ramps do not already exist; streetscape enhancements will occur in the Lewisburg neighborhood, road and hillside repairs will occur on Western Avenue, bridge/overpass repairs will occur on Caroline Avenue, levy stabilization will occur on the Licking River levy, public facility improvements will occur at the Carnegie Arts Center.
	Planned Activities	Street resurfacing, installation of ADA sidewalk ramps, streetscape enhancements, road and bridge repairs, levy stabilization, and public facility improvements.
9	Project Name	Park Improvements
	Target Area	NRSA Citywide
	Goals Supported	Improve Parks and Recreational Facilities Provide Recreation and Education Opportunities Reduce Blighted Conditions
	Needs Addressed	Public Facilities and Infrastructure Improvements Neighborhood and Community Services
	Funding	CDBG: \$505,000
	Description	This project will fund facility improvements to the City's parks and recreation facilities. A parks plan was completed to prioritize and set a schedule for ongoing parks improvements.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This project will fund improvements to City park facilities that serve low/mod-income residents.

	Location Description	Park improvements/facility upgrades will occur at the following park facility locations: Austinburg Park; Goebel Park. There will also be small improvements to all City park facilities that include the installation of park signage, picnic tables, trashcans, grills, bike racks and dog waste stations. All park improvements will occur at park facilities that serve low/mod-income neighborhoods.
	Planned Activities	Activities will include the installation of a new dog park, new playground equipment, new basketball and multi-sport courts, park signage, picnic tables, trashcans, bike racks, dog waste stations, and design work for future park improvements.
10	Project Name	Code Enforcement
	Target Area	NRSA Citywide
	Goals Supported	Reduce and Prevent Crime Reduce Blighted Conditions
	Needs Addressed	Neighborhood and Community Services
	Funding	CDBG: \$43,982
	Description	This project funds code enforcement staff to perform targeted code enforcement in low/mod-income census tracts. This enforcement will occur in designated deteriorating areas and in conjunction with other investments meant to arrest the decline of the area.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	Code Enforcement is performed in targeted low/mod-income census tracts/block groups to benefit low/mod-income residents.
	Location Description	Targeted low/mod census tracts/block groups that have been designated as deteriorated areas receiving other investments to arrest the decline of the area.
	Planned Activities	Code enforcement officers will perform exterior housing/building code inspections to address blighted property conditions. These inspections will occur in targeted areas designated as deteriorated. These inspections will coincide with other City investments meant to address the decline of the area. These other investments will include public/infrastructure improvements, public facility improvements, and housing rehabilitation.

11	Project Name	Early Literacy Program
	Target Area	Citywide
	Goals Supported	Provide Recreation and Education Opportunities
	Needs Addressed	Neighborhood and Community Services
	Funding	CDBG: \$64,400
	Description	This project funds the Covington Early Literacy Initiative/Read Ready Program that is an early literacy campaign targeted to children from birth to the 3rd grade.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This project funds activities that will serve Covington children and parents who live in low/mod income areas.
	Location Description	This activity is available to families whose children attend schools located within the boundaries of the Covington public and private school systems.
12	Planned Activities	The City will organize and manage a collaborative between multiple agencies to provide an early literacy initiative for children in the City. This program will serve children from birth to the 3rd grade. The Covington Early Literacy Initiative/Read Ready Program is a CDBG public service program that aims to increase the academic success of Covington schoolchildren by focusing on improving early literacy. This initiative will be administered by the City and will utilize two research based early literacy apps, Rx for Success and Foot Steps 2 Brilliance, to transform the academic success of Covington schoolchildren. The City will hire a contractor to administer the program by marketing its use to local schools, pre-schools, kindergarten schools, after-school programs, and social service agencies that work with children. The program will also be marketed to parents to increase their participation in their child's literacy.
	Project Name	Police Anti-Crime Program
	Target Area	NRSA Citywide
	Goals Supported	Reduce and Prevent Crime
	Needs Addressed	Neighborhood and Community Services

	Funding	CDBG: \$100,000
	Description	This project funds additional police patrols, community policing and crime prevention efforts at the City Heights public housing site in cooperation with the Housing Authority of Covington and in targeted areas of high crime as identified by the Police Department.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	This project will fund activities that benefit all residents in targeted low-mod income census tracts on an area basis.
	Location Description	City Heights public housing complex and targeted high crime areas identified by the Police Department.
	Planned Activities	Additional police patrols in targeted areas of high crime, community-policing strategies, and crime prevention efforts.
13	Project Name	Parks and Recreation Staff Delivery Costs
	Target Area	NRSA Citywide
	Goals Supported	Improve Parks and Recreational Facilities Provide Recreation and Education Opportunities Reduce Blighted Conditions
	Needs Addressed	Public Facilities and Infrastructure Improvements Neighborhood and Community Services
	Funding	CDBG: \$32,282
	Description	This project funds a portion of the salary costs for staff to administer CDBG funded park improvements and recreation programs.
	Target Date	6/30/2022
	Estimate the number and type of families that will benefit from the proposed activities	These funds will benefit low/mod income residents who utilize city parks and recreation programs.
	Location Description	Recreation activities will occur at city park facilities that serve low/mod income neighborhoods. Major park Improvements will occur at Goebel Park. Small park improvements will occur at other neighborhood parks to be identified.

	Planned Activities	Project delivery costs associated with CDBG funded park improvements and recreation programs.
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AP-50 Geographic Distribution – 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Covington has all low/mod income census tracts in the section of the city north of Interstate 275. CDBG activities are directed to these areas to benefit low/mod income residents on an area basis. For Program Year 2021, CDBG funds will be strategically invested geographically to maximize public benefit. Multiple CDBG projects will coincide with each other to leverage the impact. For example, public improvements and streetscape enhancements occurring in targeted areas will be done in coordination with park improvements, code enforcement, crime prevention efforts, property rehab programs, and economic development initiatives. The City will identify targeted areas of need and focus multiple CDBG investments to these areas.

HOME funds for homebuyer assistance are available citywide in all Consortium cities. There is no targeting of homebuyer assistance funds. HOME housing development will occur in areas that have received previous housing development funds to continue the revitalization of those areas.

Geographic Distribution

Target Area	Percentage of Funds
NRSA	15
Citywide	85
HOME Consortium Cities	100

Table 8 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City plans to focus the investment of CDBG funds into targeted geographic areas of need. Multiple CDBG activities will be coordinated together to maximize the impact and the public benefit. For example, in areas where street resurfacing occurs, the City will also look to do other public improvements i.e. streetscape enhancements, park improvements, code enforcement and crime prevention efforts. These activities will also be leveraged with private investments and other grant funds to increase the impact of the CDBG funds.

Some programs are targeted to individual households in need, not geographic areas. Programs like homeowner rehabilitation and homeownership assistance are available citywide to benefit all eligible

households who may need the assistance.

Discussion

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Affordable Housing

AP-55 Affordable Housing – 91.220(g)

Introduction

The City of Covington invests federal funds in the development of rental and homeownership units and the rehabilitation and repair of existing homeowner units. This section shows specific goals for the number of homeless, non-homeless, and special needs households that will be provided affordable housing during the 2021-22 program year. Also shown is the number of affordable housing units that will be provided with CDBG and HOME funds. Programs that will provide these units through CDBG are the Homeowner Repair Program and the Upper Floor Residential Rehab Program. Programs that will provide these units through HOME are the Homebuyer Assistance Program and CHDO housing development.

One Year Goals for the Number of Households to be Supported	
Homeless	0
Non-Homeless	120
Special-Needs	0
Total	120

Table 9 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	0
The Production of New Units	20
Rehab of Existing Units	30
Acquisition of Existing Units	70
Total	120

Table 10 - One Year Goals for Affordable Housing by Support Type

Discussion

The CDBG Homeowner Repair Program will assist the rehab of 30 units.

The CDBG Upper Floor Residential Rehab Program will assist the development of 10 new rental units.

The Homebuyer Assistance Program will assist in the acquisition of 70 existing units.

Housing Opportunities of Northern Kentucky (HONK), The Center for Great Neighborhoods of Covington

(CGN) and Entryway, Inc. serve as CHDOs for the Northern Kentucky HOME Consortium. These organizations will utilize our CHDO set-aside funds for projects within the boundaries of the Consortium. CHDO set-aside funds will create 10 new or rehabbed units. They are primarily homeownership but they may be lease-purchase projects. These will be currently vacant units, so they are considered production of "new units".

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AP-60 Public Housing – 91.220(h)

Introduction

The Housing Authority of Covington (HAC) manages and maintains over 800 units located in 2 family sites, Latonia Terrace and City Heights, one exclusively elderly building, Golden Towers and various scattered sites (Academy Flats, ESR I, ESR II, ESR III, Emery Drive, and New Site Properties). HAC also administers public housing new construction, rehabilitation and modernization activities, and home ownership opportunity programs.

The Community Housing Resource Group is a joint effort, formed through a Consortium, between the City of Covington and the Housing Authority of Covington to administer the Section 8 Housing Choice Voucher Program. Section 8 assists low and very low-income families, the elderly and disabled to afford decent, safe and sanitary housing in the private market.

Actions planned during the next year to address the needs to public housing

The Housing Authority of Covington and the City of Covington will implement public housing programs and Housing Choice Voucher (HCV) programs respectively. These programs will fill some of the need for public, affordable housing. Both agencies have many families on their respective waiting lists indicating the continued shortage of available, affordable rental housing. As public housing units and Housing Choice vouchers become available, new families will be brought into the programs. The HCV program holds monthly briefing sessions to enroll new families as soon as vouchers become available.

HCV staff will continue to implement a property owner recruitment program. There is currently a shortage of property owners in the service area willing to participate in the program. In PY 2019, HCV staff implemented an incentive program in an effort to recruit new property owners and new available units to the program.

HCV staff has purchased new technology systems for daily operations that will increase efficiencies and reduce costs. New project management software has also been implemented.

The Housing Authority of Covington (HAC) is preparing a Disposition application for submission to HUD for the City Heights community. If approved, the 60+ year old, obsolete, row-style, multi-family property that includes 366 units will be sold, with the sales proceeds used to renovate/upgrade other multi-family public housing properties in the portfolio. Tenants will be relocated, using a phased approach, over an estimated three-year period and offered tenant protection vouchers.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

The Housing Authority of Covington (HAC) encourages and supports resident engagement to foster the

mission of the organization. There are three active Resident Councils in their largest public housing communities, voted on by tenants, who represent the interests of tenants and their families. Each year, HAC requests that the Resident Advisory Board (RAB), consisting of all Resident Council officers, participate in a meeting to review proposed changes to the agency's lease, housing policies and tenant charges. This year that meeting was held on 2/19/21. The proposed Five Year Capital Fund Plan was also discussed. Meeting notes are available at www.hacov.org.

Other than the proposed increases in flat rents, which are within the required 80% FMR, few significant objections were raised by RAB members. HAC's flat rents are still among the lowest in the region. Additionally, most of HAC's flat renters pay no additional fees or utilities, unlike other low-income tenants.

Over the years, tenants and community members have expressed the need for more handicapped accessible, single-family homes for purchase. HAC is considering the development of one handicapped accessible single-family home on a previously purchased vacant lot.

The Housing Authority of Covington collaborates with many community organizations to serve the public housing resident population. The Housing Authority works with the City to refer residents to homeownership counseling and education programs. The City assists public housing residents who are interested in homeownership seek out programs and assistance to further their goal of homeownership.

The City of Covington Housing Choice Voucher Department administers a Family Self-Sufficiency Program to assist families to work towards economic self-sufficiency and administers a homeownership program. This program allows participating families to use their Housing Choice Vouchers towards the purchase of a home rather than rent.

The Neighborhood Service Department works with these public housing agencies to refer families to HOME funded homeownership assistance programs.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

The PHA is not designated as troubled.

Discussion

AP-65 Homeless and Other Special Needs Activities – 91.220(i)

Introduction

The City of Covington is part of the Region III Continuum of Care (CoC). The goal of the CoC is to end homelessness through support programs, rapid re-housing and permanent housing opportunities. The Continuum of Care developed a Ten Year Plan to End Chronic Homelessness in 2008. According to The Gap Report by the National Low Income Housing Coalition, 568,000 people experienced homelessness in the United States in 2019. On a more local level, the 2019 K-Count, published by the Kentucky Housing Corporation, estimates that 182 individuals experienced homelessness in Kenton County. These figures are expected to rise due to many people experiencing loss of income during the coronavirus pandemic.

The City of Covington recognizes the detrimental impact that homelessness can have on our residents and are committed to working with local organizations, the NKADD, the Kentucky Housing Corporation and HUD to develop a comprehensive, coordinated approach to ending chronic homelessness. Covington signed on to HUD's Mayor's Challenge to End Veteran Homelessness in 2014.

In response to the coronavirus pandemic, the City allocated \$367,000 for homeless assistance programs and \$110,000 for food assistance programs. These were from the City's allocation of special CDBG coronavirus funds from HUD. In PY 2021, the City will continue to support and work with local homeless service providers and the Region III Continuum of Care to address the needs of homeless members of the community.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City will continue to support the Continuum of Care and the local agencies that offer homeless support services. These agencies include Welcome House of Northern KY, Brighton Center, NorthKey, Transitions, Inc., the Emergency Cold Shelter of NKY and the Center for Independent Living Options.

These agencies manage multiple programs that address the needs of the homeless population. Welcome House administers the Gaining Access through Programs and Support (GAPS) program that assists homeless individuals and families to connect with assistance programs and housing. Transitions, Inc. manages the Permanent Housing Program that identifies needs and connects the homeless

population to support programs and housing assistance.

Welcome House, Brighton Center, and the Veterans Association offer homeless street outreach services to unsheltered persons and connect them with shelter, services, and access to other assistance.

Brighton Center has a Street Outreach program for youth ages 16-22, funded by Health and Human Services. There is an extensive plan for outreach in the community to identify youth and offer services to bring them into safe shelter. If a youth is over 18, a referral to adult shelters is made. Through their Rapid Rehousing Program, Brighton Center staff provides outreach in the community and responds to calls for assistance from community partners and residents. Both outreach programs assess needs and strive to bring homeless individuals into shelter and sustainable housing.

Addressing the emergency shelter and transitional housing needs of homeless persons

Emergency shelter is offered to two-parent families, single women, and women with children by Welcome House of NKY. The Emergency Shelter of NKY provides shelter to single men and women. Fairhaven Rescue Mission offers shelter to single men. Welcome House provides transitional housing to veterans and the disabled homeless population. Brighton Center offers shelter to unaccompanied youth under the age of 18.

The Emergency Shelter of Northern Kentucky is a non-HUD funded agency that provides services for adults 18+ experiencing all types of homelessness including chronic. All programs offered by this organization are free. Emergency Shelter of Northern Kentucky is the only shelter in NKY that allows adults to use its street address as their address for job application and other forms as allowed by state law.

Transitions, Inc. operates programs that provide transitional housing with intensive case management, outreach, employment services, psychiatric nursing services, mental health case management, and life skills assistance.

Welcome House's GAPS program works with homeless individuals and families to address their transitional housing needs while also working with them on permanent housing solutions.

Brighton Center provides emergency shelter for homeless youth. They also support the efforts of Women's Crisis Center, NKY Emergency Shelter, and Welcome House and others to strengthen the continuum of care in NKY.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals

and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

The City will continue to support the efforts of the Continuum of Care and local agencies that address these needs. These agencies include Welcome House of Northern KY, Brighton Center, NorthKey, the Center for Independent Living Options and Transitions, Inc. These agencies administer multiple programs to assist homeless individuals make the transition to permanent housing and independent living.

Center for Independent Living Options offers housing for persons with disabilities, a supportive housing program utilizing scattered site units and providing support services for homeless individuals with disabilities.

Transitions provides 47 units of Permanent Supportive Housing for the chronically homeless. These 47 units are located throughout Covington. All individuals placed into PSH housing are considered chronically homeless and have a disability. Transitions also operates 65 beds of Recovery Housing for men and women. They place individuals completing residential programs into Recovery Housing if they are in need of safe and affordable housing. The Housing and Outpatient Teams work with individuals in early recovery to overcome barriers and support their recovery journey.

Welcome House provides the following programs and services to people experiencing homelessness:

- Homeless Street Outreach
- Mobile Medical Services – closely working with St. Elizabeth and St. E physicians
- Diversion Program
- Emergency Shelter
- Two-Parent Family Shelter – Family Promise Program
- Case Management
- Supportive Housing Case Management – once housed clients receive supportive case management to ensure they stay housed
- Permanent Supportive Housing (rent subsidy for those at are disabled)
- Rapid Rehousing (temporary rental assistance)
- Veterans Transitional Housing Program – Transitional housing for 10 NKY veterans
- Tenant-Based Rent Assistance Program (paying back-due rent/utilities)
- Prevention Program (paying back-due rent utilities)
- Social Security Benefits Assistance (helping homeless individuals apply for Social Security disability benefits)
- Representative Payee Services (managing client funds for those that are cognitively/physically unable to manage their funds)
- 20 units of subsidized housing for single parents experiencing homelessness
- 73 Units of Affordable Housing – preference given to those experiencing homelessness,

disabled, or veterans

Brighton Center provides the following programs and services to people experiencing homelessness:

- Unaccompanied Youth Shelter
- Employment/Career Training
- Financial Management Training

Brighton Center and Welcome House are participating in an innovative program with KHC to work with Covington and Erlanger schools to provide TBRA assistance to homeless families and unaccompanied youth. The goal is to keep the youth in school and get the families housed. There is additional need for housing for unaccompanied youth.

Additional programs and resources are needed to address and prevent homelessness. Providing the supportive services such as case management, job training, education, access to benefits, emergency assistance, mental and physical health treatment are critical. Other programs such as Financial Self-Sufficiency Programs and Individual Development Accounts are effective tools. Increasing affordable housing options will also help to alleviate homelessness.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.

The Region III Continuum of Care includes agencies that are working to reduce homelessness and to create programs to prevent homelessness. Agencies that administer programs to assist individuals and families to avoid becoming homeless include Brighton Center, NorthKey, Welcome House of Northern KY and Transitions, Inc. The City will continue to support these efforts.

Brighton Center provides the following services to assist individuals and families divert from entering the

homeless services system:

- Community & Youth Services – including those individuals exiting foster care
- Early Childhood Education
- Employment & Workforce Services
- Family Services
- Financial Wellness
- Housing
- Recovery Services
- Senior Support
- Assessment and referral services

Brighton Center also has a Transitional Living program for youth aging out of foster care. Youth are provided with financial assistance to obtain an apartment and then provide the appropriate case management services to connect them to education and workforce services, as well as any other needed services. The National Association for the Education of Homeless Children and Youth describes many models in their research that are working for youth.

Welcome House provides the following services to assist individuals and families divert from entering the homeless services system:

- Homeless Street Outreach
- Mobile Medical Services
- Diversion Program
- Case Management
- Supportive Housing Case Management – once housed clients receive supportive case management to ensure they stay housed
- Tenant-Based Rent Assistance Program (paying back-due rent/utilities)
- Prevention Program (paying back-due rent utilities)
- Representative Payee Services (managing client funds for those that are cognitively/physically unable to manage their funds)
- 20 units of subsidized housing for single parents experiencing homelessness
- 73 Units of Affordable Housing – preference given to those experiencing homelessness, disabled, or veterans
- Assessment and referral services

HUD has highlighted many innovative models for housing in their “Edge” newsletter, including

workforce housing, housing connected to medical care, Veteran housing, etc. KHC has also funded some innovative models related to assisted living and workforce housing.

The City of Covington provides programs and services directly to help prevent homelessness including: public housing units; Housing Choice Voucher Program; home repair programs; lead paint remediation programs; and assisting residents with seeking out financial counseling programs and foreclosure prevention programs.

Discussion

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AP-75 Barriers to affordable housing – 91.220(j)

Introduction:

According to the 2021 Gap Report by the National Low Income Housing Coalition, there is a substantial lack of affordable housing in the United States causing drastic housing cost burdens for extremely-low and low-income households. These burdens are even greater for people of color. Some of the statistics cited in the Gap Report include:

- 10.8 million renter households with extremely low incomes account for 25% of all renter households and 9% of all U.S. households.
- People of color are much more likely than white people to have extremely low-incomes. Twenty percent of Black households, 18% of American Indian or Alaska Native households, 14% of Latino households, and 10% of Asian households are extremely low-income renters. Only 6% percent of white non-Latino households are extremely low-income renters.
- Extremely low-income renters in the U.S. face a shortage of nearly 7 million affordable and available rental homes. Only 37 affordable and available homes exist for every 100 extremely low-income renter households
- Seventy percent (7.6 million) of the nation's 10.8 million extremely low-income renter households are severely housing cost-burdened, spending more than half of their incomes on rent and utilities. They account for over 72% of all severely housing cost-burdened renters in the U.S.
- Forty-eight percent of extremely low-income renter households are seniors or disabled, and another 43% are in the labor force, in school, or are single-adult caregivers.
- Thirty-six percent (3.8 million) of all extremely low-income renter households are in the labor force, and many work in industries like retail and restaurants that were highly exposed to shutdowns, job losses, and reduced wages due to COVID. By December 2020, 70% of all renters with incomes less than \$25,000 who were not retired lived in a household that had lost employment income due to the pandemic.

Barriers to affordable housing in the City of Covington include lack of available land, lack of monetary resources, cost of property rehabilitation, outdated zoning regulations, local historic preservation guidelines and cost of building permitting and fees. There has also been hesitancy from property owners to participate in public/affordable housing programs. There are regional barriers that exist mostly from neighboring cities and communities not creating affordable housing in their neighborhoods. Many of the low- and moderate-income jobs that are available are located in areas that have insufficient affordable housing options. The region also needs to improve transportation portals that reach available job opportunities.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City of Covington has drafted a complete re-write of the City's current zoning ordinances. There were provisions in the previous zoning code that could have negative effects on affordable housing development. Factors that currently exist that will be modified to be less onerous to development include: density limitations; rules on infill housing development; allowances for duplexes in certain areas; allowing additional units to be added to single-family residences; allowing accessory structures i.e. carriage houses; and easing complex local historic preservation guidelines. The new zoning code changed from a Euclidian model to a "form" based code that will allow for more flexibilities in housing development especially in regards to local historic preservation guidelines.

The City is also urging neighboring communities to address the lack of affordable housing in their cities as well as the lack of viable transportation to job centers.

Discussion:

The City creates affordable housing opportunities through the Homebuyer Assistance Program, HOME Housing Development and the Upper Floor Residential Rehab Program. The City preserves affordable housing through its residential rehab programs.

AP-85 Other Actions – 91.220(k)

Introduction:

Described below are the city's planned actions to carry out the following strategies outlined in the Consolidated Plan.

Actions planned to address obstacles to meeting underserved needs

There are obstacles to meeting underserved needs that include the lack of adequate financial resources, the need for increased supportive services, the increasing cost of housing, the need to expand economic opportunities, the need to coordinate resources, and the need to inform households of available services.

There are not adequate resources available to address all community development needs. Additional supportive services are needed as a result of the coronavirus pandemic which caused job and income losses. The shortage of available affordable housing units has increased. The community's unmet demand for permanent affordable housing is evidenced by the long waiting lists for public housing and Housing Choice Voucher assistance. The Covid-19 pandemic has had a detrimental effect on the business community. The City will need to assist businesses to avoid job losses.

To City will attempt to address these underserved needs by creating programs and activities funded with CDBG and HOME that will create and preserve affordable housing opportunities through homeownership programs, housing development, and housing rehabilitation programs. CDBG and HOME funds will be leveraged with other funding sources and CDBG funded activities will be coordinated together to maximize the public benefit. The City will utilize local agencies to assist with outreach and promotion CDBG and HOME funded programs and activities that are available. The Housing Choice Voucher Program has instituted incentives for property owners to participate in the Section 8 Program. The City has allocated CDBG-CV funds for homelessness, food insecurity, utility assistance, and business assistance/job retention programs.

To address underserved needs, all CDBG and HOME investments (except for some slum/blight activities, administration, and planning activities) for program year 2021, will directly benefit low/mod income residents.

Actions planned to foster and maintain affordable housing

According to The Gap Report, there exists a substantial shortage of available, affordable housing in the United States, especially for renters. The City will invest HOME and CDBG funds in the following activities to foster and maintain affordable housing:

Homebuyer Assistance Program: The City offers interest-free, deferred, forgivable loans to assist low-

income homebuyers with lender required down payment and closing costs. This program's goal is to increase homeownership among low-income households and expand housing choice by allowing buyers to purchase homes throughout the Consortium member cities of Covington, Ludlow, Newport, Bellevue and Dayton.

CHDO Housing Development: A CHDO is a private nonprofit, community-based service organization that has achieved a special designation as a developer of affordable housing. The City of Covington is required to reserve no less than 15 percent of HOME funds for investment in housing to be developed by CHDOs. The City has been very successful in this housing development partnership and thus is budgeting approximately 50% of the total HOME funds available to CHDO Housing Development. The City will solicit proposals from its CHDO partners for this funding.

Owner-Occupied Housing Rehab: The City offers forgivable loans for low/mod-income homeowners to address urgent home repair needs or to alleviate code enforcement cited exterior code violations. The City also administers a lead based paint hazard reduction program as a result of a HUD grant award from the Office of Lead Hazard Control and Healthy Homes.

Upper Floor Residential Rehab Program: This program provides loans to property owners to create new affordable rental units in vacant, upper floor space in mixed-use buildings.

Actions planned to reduce lead-based paint hazards

The City of Covington will comply with HUD's Lead Safe Housing Rule by strictly adhering to the City's implemented Lead Based Paint Policy as follows:

All homes that were built pre-1978:

Homebuyer Program: A visual assessment is performed to identify any deteriorated paint at or in excess of de-minimis standards and notification of the results are passed to homebuyer. Paint stabilization utilizing safe work practices by a RRP Certified Contractor is required for paint deterioration above de-minimis followed by obtainment of Clearance testing.

Rehabilitation Program: A visual assessment is performed to identify any deteriorated paint at or in excess of de-minimis standards and notification of the results are passed to homeowner. Additional steps are outlined below as it pertains to funding amount. (Funding amount is per unit rehabilitation hard costs and do not include costs of lead hazard evaluation and reduction.)

\$0.00 - \$5,000.00: "Do no harm" approach. Lead safety requirements cover only the surfaces being disturbed. Presume surfaces contain lead-based paint. Work which disturbs painted surfaces presumed to contain lead-based paint is done using lead safe work practices by a RRP Certified Contractor and clearance of the worksite is performed at the end of the job (unless it is a very small "de minimis" scale

project) to ensure that no lead dust hazards remain in the work area.

\$5,001.00 - \$25,000.00: Identify and control lead hazards. Identify all lead hazards by performing a lead-based paint risk assessment. RRP Certified Contractors must control the hazards using interim controls and clearance of the worksite is performed at the end of the job to ensure that no lead dust hazards remain in the work area.

\$25,001.00 or more: Identify and abate lead hazards. Identify all lead hazards at the property by performing a risk assessment and then abate all the hazards. This approach requires certified abatement contractors perform the abatement part of the job and clearance of the worksite is performed at the end of the job to ensure that no lead dust hazards remain in the work area.

This policy is not applicable to homes that were built in 1978 or after.

The City is also administering a lead based paint hazard reduction program with grant funds from HUD's Office of Lead Hazard Control and Healthy Homes. This program will eliminate lead based paint hazards in 58 homes over a three-year period targeting low-income residents with children under six years of age at risk for lead poisoning.

Actions planned to reduce the number of poverty-level families

Programs funded with CDBG and HOME provide homeowner rehabilitation and repairs, production of new rental and homeowner units and down payment assistance for income-eligible homebuyers. These activities, that produce and preserve affordable housing, are important in reducing the number of poverty-level families in the city. Using CDBG funding, city programs also support activities that provide public services and recreational activities.

Housing Choice Voucher (HCV) agencies in Kenton and Campbell Counties administer Family Self-Sufficiency Programs and Section 8 to Homeownership Programs to guide HCV families on a path of financial stability.

The city implements the federally required Section 3 program, where applicable, to ensure that employment or contracting opportunities generated by HUD funded projects give preference to qualified low- and very-low income persons or business concerns.

Actions planned to develop institutional structure

CDBG and HOME funds are administered through the Neighborhood Services Department. The Department oversees the management and expenditure of these funds with assistance from the City's Finance Department. Functions of the department include planning and policy-making, program administration, management of grants/loans and monitoring. The department also manages the

implementation of all activities funded by the CDBG and HOME Programs.

The City of Covington is a HOME participation jurisdiction and is the lead entity of the Northern Kentucky HOME Consortium. The Consortium includes Covington and the cities of Ludlow, Newport, Bellevue and Dayton. There is a Governing Board with one representative from each municipality serving as a voting member. This representative is the Mayor or his/her designee. This Board establishes all policies and procedures, determines funding allocations, controls all activities and will instruct Covington during implementation of the program in accordance with the Bylaws. Covington, as the lead entity, ultimately approves all funding decisions.

There is also an extensive structure of other agencies, non-profit and for-profit developers, educational institutions, neighborhood and community organizations, non-profit funders, affordable housing developers, business, economic development and workforce development organizations, lenders, private funders and healthcare providers that work towards implementing the goals of the Consolidated Plan.

City staff monitors all HOME and CDBG programs and activities internally and externally to ensure program effectiveness and efficiency. All individual activity files are monitored by the Federal Grants Manager to ensure compliance with all program rules and regulations. This includes homeowner rehab programs, homebuyer programs, recreation programs, public facilities and improvements, business assistance programs, crime prevention efforts, code enforcement and any other activities funded in whole or in part with HOME or CDBG. An onsite monitoring schedule will be created for all external monitoring requirements such as CHDO annual monitoring and past projects funded with CDBG or HOME that require ongoing monitoring. External monitoring will be conducted by the Federal Grants Manager and/or the CDBG-HOME Program Coordinator. No CDBG or HOME funds are committed for any project or activity without prior review by the Federal Grants Manager.

Actions planned to enhance coordination between public and private housing and social service agencies

There are a number of ongoing collaborative efforts in the community. The City maintains communications and a cooperative relationship with the following community based organizations: Northern KY Health Department, Covington Neighborhood Collaborative, Center for Great Neighborhoods of Covington, Housing Opportunities of Northern Kentucky, Entryway, Inc., the United Way, the Catalytic Development Fund of Northern Kentucky, the Life Learning Center, Catholic Charities of Northern Kentucky, The Brighton Center, The Welcome House, the Covington Human Rights Commission, real estate professionals and lenders.

The City utilizes these agencies to promote city assistance programs. The City utilizes many of these agencies to promote CDBG and HOME Programs as well as the Lead Based Paint Hazard Control

Program. These agencies also refer families for assistance to these City programs.

The City will continue to foster and expand these cooperative efforts to further the goals of the Consolidated Plan.

Discussion:

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Program Specific Requirements

AP-90 Program Specific Requirements – 91.220(I)(1,2,4)

Introduction:

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	3,644
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	3,644

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	90.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Covington/NKY HOME Consortium will only utilize HOME entitlement funds for eligible activities within 92.205. Other forms of investments are private lender mortgage funds/construction loans and homebuyer contributions. The Consortium leverages its HOME funds with other forms of

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investment including private interest-bearing debt for housing development, Federal Home Loan Bank funds, and other private grant funds. Homeowners assisted by the HOME program use private interest-bearing debt to purchase homes and contribute their own funds towards purchases.

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

The City of Covington provides HOME Program funds to create affordable housing units and assist income eligible families with the purchase of a home. The following Recapture Policy ensures that the city recoups all or a portion of the HOME assistance paid to the homebuyers in the event that the assisted housing does not continue to be the principal residence of the family through the duration of the affordability period. The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to purchase the dwelling unit. This includes any HOME assistance that reduced the purchase price from the fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property (the development subsidy). Covington does not use the re-sale provision for HOME homebuyer projects.

The following minimum affordable periods will be imposed on all HOME funded homebuyer activities based on the level of funding provided:

- Under \$15,000 – 5 years
- \$15,000-\$40,000 – 10 years
- Over \$40,000 – 15 years

To ensure recapture, the City will execute a HOME program agreement, a promissory note and a mortgage. The borrower agrees to remain in the property as the principal place of residence for a period of no less than the minimum required period of affordability from the date of the execution of the agreements. If the property is sold or the borrower does not reside in the premises for the required minimum period of affordability, the outstanding principal balance shall immediately become due and payable (recapture provision) as outlined in the HOME program agreement and the Promissory Note.

The HOME mortgage is recorded on the property for the term of the agreement. HOME funds are provided to homebuyers in the form of interest-free, deferred-forgivable loans. The loan balance is repaid in a lump sum upon the sale, transfer or vacating of the property.

When the recapture provision is triggered by a sale (voluntary or involuntary) of the housing unit, and there are no net proceeds or the net proceeds are insufficient to repay the HOME investment due, the City will only recapture the net proceeds, if any. "Net proceeds" is defined as the sales

price minus superior loan repayment (other than HOME funds) and any closing costs.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds. See 24 CFR 92.254(a)(4) are as follows:

See above description.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Not applicable.

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